IN THE CLAIMS:

Please amend independent Claims 1 and 2 as follows:

1. (Amended) A system for distributing music to a plurality of customer households, the system comprising:

(a) a data transmission system for blanket transmitting a plurality of music selections to the plurality of customer households in digital format;

(b) a user station at each of the plurality of customer households, the user station including[;]:

i. a user interface for permitting each customer household to preselect desired transmitted music selections for recording;

ii. a receiver and associated high capacity storage medium for recording the preselected music selections in digital form;

iii. an audio output for outputting audio signals from the high capacity storage medium to a playback device [so that] for enabling the customer household to playback the recorded music selections;

(c) a central controller system having a database for storing therein information corresponding to each customer household;

(d) a communications link between each of the plurality of customer households and the central controller system for verifying to the controller system when a preselected music selection has been made available for playback; and

(e) a billing system associated with the central controller system to bill customer households for music selections that are made available for playback.

2. A method for distributing music to a plurality of customer households, the method comprising the steps of:

(a) blanket transmitting a plurality of music selections to the plurality of customer households in digital format;

(b) providing each of the plurality of customer households with information identifying available music selections that will be transmitted;

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(c) permitting each of the plurality of customer households to preselect and record desired music selections on a high capacity storage medium;

(d) enabling each customer household to playback the recorded music selections;

(e) communicating music playback information from each of the plurality of customer households to a central controller system; and

(f) billing each of the plurality of customer households for the recorded music selections that are made available for playback.

Please add new claims 3-89 as follows:

--3. The system according to Claim 1, wherein the blanket transmitting of the plurality of music selections to the plurality of customer households is accomplished via direct broadcast satellite (DBS) at data transmission rates faster that real time.

4. The system according to Claim 1, wherein music content providers transmit music content to the central controller system for the blanket transmission to the plurality of customer households.

5. The system according to Claim 4, wherein the music content transmitted to the central controller system is encoded.

6. The system according to Claim 5, wherein the encoded music content includes a unique header code for identifying each music title in the transmitted music content.

7. The system according to Claim 6, wherein the unique header code further includes a transmission time associated with each of the music titles transmitted to the central controller system.

8. The system according to Claim 5, wherein the central controller system schedules the encoded music content for transmission to an uplink facility for blanket transmission to the plurality of customer households.

9. The system according to Claim 8, wherein the central controller system further transmits periodic pricing information for the encoded music content to the uplink facility for blanket transmission to the plurality of customer households.

10. The system according to Claim 9, the user station at each of the plurality of customer households further comprising a download mechanism for receiving and decoding the plurality of music selections for storage in the high capacity storage medium.

11. The system according to Claim 1, wherein the user station transmits the music selections preselected by each customer household to the central controller system.

12. The system according to Claim 11, wherein the music selections preselected by each customer household are transmitted to the central controller system via the Internet.

13. The system according to Claim 9, the user station at each of the plurality of customer households further comprising a billing mechanism for receiving and storing the periodic pricing information transmitted by the central controller system.

14. The system according to Claim 1, wherein the user station enables each of the plurality of households to preview the preselected music selections a predetermined number of times before initiating payment for the preselected music selections thus played by transmitting necessary payment information to the central controller system.

15. The system according to Claim 1, wherein the user station enables each of the plurality of households to pay for the preselected music selections before initiating payment for the preselected music selections thus played by transmitting necessary payment information to the central controller system.

16. The system according to Claim 1, wherein the user station enables each of the plurality of households to preview the preselected music selections via the audio output.

17. The system according to Claim 14, wherein quality of the preselected music selections previewed is degraded/abbreviated in format by one selected from the group consisting of:

highly compressing the preselected music selections;

adding distortions to the preselected music selections,

overlaying voice over the preselected music selections; and

missing sections from the preselected music selections.

18. The system according to Claim 1, wherein the user station further comprises an associated recording device for recording the preselected music selections on a writable recording medium when a customer purchases preselected music selections via the user interface of the user station.

19. The system according to Claim 18, wherein the writable recording medium is a compact disk.

20. The system according to Claim 1, wherein the user station further comprises an associated remote control device for navigating the user interface of the user station for preselecting desired music selections and purchasing the preselected desired music selections.

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21. The system according to Claim 1, wherein the user station further comprises an associated remote keyboard for navigating the user interface of the user station for preselecting desired music selections and purchasing the preselected desired music selections.

22. The system according to Claim 8, wherein the encoded music content is transmitted to the uplink facility for blanket transmission to the plurality of customer households according to predetermined tiers of transmission frequency.

23. The system according to Claim 22, wherein the predetermined tiers of transmission frequency includes blanket transmitting preselected music selection from most popular music content every hour.

24. The system according to Claim 22, wherein the predetermined tiers of transmission frequency includes blanket transmitting preselected music selections as a batch stream once a day.

25. The system according to Claim 1, wherein the central controller system further automatically enables blanket transmission to each of the plurality of user stations of music content without requiring music selections from the user stations according to assigned customer profiles.

26. The system according to Claim 25, wherein the central controller assigns customer profiles according to each of the plurality of households music preference information communicated by the user station to the central controller system.

27. The system according to Claim 26, wherein the user interface of the user station further permits each of the plurality of customer households to designate the music preference information.

28. The system according to Claim 27, wherein the central controller system further comprises:

a customer preference information storage memory for receiving and storing each of the plurality of customer households designated music preference information;

a general population preference database for storing preference information for all of the plurality of customer households;

a customer catalog generator for analyzing the customer preference information storage memory and the general population preference database to create an individual customer catalog for each of the plurality of customer households that determines which music is automatically blanket transmitted.

29. The system according to Claim 4, wherein the music content providers transmit promotional music content to the central controller system for the blanket transmission to the plurality of customer households.

30. The system according to Claim 1, further comprising a production facility for recording on one or more writable recording media the preselected music selections for each customer household requesting conventional delivery and shipping the one or more writable recoding media to each of the customer households.

31. The system according to Claim 1, wherein the high capacity storage medium includes a dedicated storage portion for recording the preselected music selections when a customer purchases preselected music selections via the user interface of the user station.

32. The system according to Claim 31, wherein the purchased preselected music selections are stored on the dedicated storage portion of the high capacity storage device in compressed and encrypted format.

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33. The system according to Claim 32, wherein the purchased preselected music selections stored on the dedicated storage portion of the high capacity storage are decrypted, decompressed and watermarked within the user station before being outputted to the audio output of the user station for playback.

34. The system according to Claim 32, wherein the purchased preselected music selections stored on the dedicated storage portion of the high capacity storage device in compressed, encrypted format are subsequently watermarked and written to a writable recording media for playback by a media player.

35. The system according to Claim 33, wherein the media player is enabled to play the compressed, encrypted and watermarked format and track/limit a number of times that the each of the plurality of music selections written on the writable recording media is played.

36. The system according to Claim 1, the system further comprising an external memory device coupled to the user station for recording the preselected music selections in digital form.

37. The system according to Claim 36, wherein the external memory device is one selected from the group consisting of: a Dataplay device; a hard disk drive; and flash memory.

38. The system according to Claim 36, wherein the external memory device utilizes one or more key codes to secure the preselected music selections recorded on the external memory device.

39. The system according to Claim 1, wherein the system further comprises a peer-to-peer music sharing system connected via the Internet to the user station.

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40. The system according to Claim 39, wherein the user interface of each of the plurality of customer households comprises a means for requesting from the peer-to-peer music sharing system a music selection, the music selection being communicated to the central controller from the peer-to-peer music sharing system for subsequent blanket transmission of the music selection to the user station.

41. The system according to Claim 40, wherein the peer-to-peer music sharing system provides music preference information regarding each of the plurality of households to the central controller for generating a customer profile.

42. The system according to Claim 1, the system further comprising: a means for detecting errors in the blanket transmission and a means for blanket re-transmitting all or part of the blanket transmission if errors are detected.

43. The system according to Claim 18, wherein the user station receives at least one ID tag for the preselected music selections blanket transmitted to the user station and encodes the at least one ID tag into the transmitted preselected music selection when the preselected music selections are recorded on the writable recording medium after the purchase of the preselected music selections, thereby uniquely identifying the purchase.

44. The system according to Claim 43, wherein the at least one ID tag is woven in the frequency or time spectrum of the preselected music selections.

45. The system according to Claim 43, wherein the at least one ID tag is inaudible in the preselected music selections.

46. The system according to Claim 43, wherein the at least one ID tag survives compression of the preselected music selections.

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47. The method according to Claim 2, wherein the wherein the blanket transmitting of the plurality of music selections to the plurality of customer households is accomplished via direct broadcast satellite (DBS) at data transmission rates faster that real time.

48. The method according to Claim 2, the method further comprising a step of transmitting music content from music content providers to the central controller system for the blanket transmission to the plurality of customer households.

49. The method according to Claim 48, wherein the music content transmitted to the central controller system is encoded.

50. The method according to Claim 49, wherein the encoded music content includes a unique header code for identifying each music title in the transmitted music content.

51. The method according to Claim 50, wherein the unique header code further includes a transmission time associated with each of the music titles transmitted to the central controller system.

52. The method according to Claim 49, the method further comprising a step of scheduling the encoded music content for transmission to an uplink facility for blanket transmission to the plurality of customer households.

53. The method according to Claim 52, the method further comprising a step of transmitting periodic pricing information for the encoded music content to the uplink facility for blanket transmission to the plurality of customer households.

54. The method according to Claim 53, the method further comprising the steps of:

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receiving and decoding at the plurality of households the music selections blanket transmitted; and

storing the music selections blanket transmitted at a high capacity storage medium at each of the plurality of households.

55. The method according to Claim 2, the method further comprising a step of transmitting the music selections preselected by each of the plurality of customer households to the central controller system.

56. The method according to Claim 55, wherein the music selections preselected by each of the plurality of customer households are transmitted to the central controller system via the Internet.

57. The method according to Claim 53, the method further comprising a step of receiving and storing the periodic pricing information transmitted by the central controller system at the plurality of customer households.

58. The method according to Claim 2, the method further comprising the steps of:

enabling the plurality of households to preview the preselected music selections a predetermined number of times; and

initiating the billing for the preselected music selections thus played by transmitting necessary payment information to the central controller system.

59. The method according to Claim 2, the method further comprising the step of:

enabling each of the plurality of households to pay for the preselected music selections; and

initiating payment for the preselected music selections thus played by transmitting necessary payment information to the central controller system.

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60. The method according to Claim 58, wherein quality of the preselected music selections previewed is degraded/abbreviated in format by one selected from the group consisting of:

highly compressing the preselected music selections;

adding distortions to the preselected music selections,

overlaying voice over the preselected music selections; and

missing sections from the preselected music selections.

61. The method according to Claim 2, the method further comprising the steps of:

providing a recording device associated with each of the plurality of households; and

recording the preselected music selections on a writable recording medium when a customer purchases preselected music selections via a user interface associated with each of the plurality of customer households.

62. The method according to Claim 61, wherein the writable recording medium is a compact disk.

63. The method according to Claim 2, the method further comprising a step of providing a remote control device for preselecting desired music selections and purchasing the preselected desired music selections.

64. The method according to Claim 2, the method further comprising a step of providing a remote keyboard for navigating and preselecting desired music selections and purchasing the preselected desired music selections.

65. The method according to Claim 52, the method further comprising the steps of:

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providing predetermined tiers of transmission frequency for transmitting to the uplink facility the encoded music content;

blanket transmitting from the uplink facility to the plurality of customer households the encoded music content according to predetermined tiers of transmission frequency.

66. The method according to Claim 65, wherein the predetermined tiers of transmission frequency includes blanket transmitting preselected music selection from most popular music content every hour.

67. The method according to Claim 65, wherein the predetermined tiers of transmission frequency includes blanket transmitting preselected music selections as a batch stream once a day.

68. The method according to Claim 2, the method further comprising the steps of:

assigning to each of the plurality of customer households a customer profile; and

blanket transmitting to each of the plurality of customer households music content according to the assigned customer profile.

69. The method according to Claim 68, the method further comrpsiinga step of:

assigning the customer profile for each of the plurality of customer households according to each of the plurality of households music preference information communicated to the central controller system.

70. The method according to Claim 69, the method further comprising permitting each of the plurality of customer households to designate the music preference information.

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71. The method according to Claim 70, the method further comprising:

receiving and storing each of the plurality of customer households designated music preference information at the central controller system;

storing preference information for all of the plurality of customer households; and

analyzing the preference information for each of the households and the general population to create an individual customer catalog for each of the plurality of customer households that determines which music is automatically blanket transmitted.

72. The method according to Claim 48, the method further comprising a step of transmitting promotional music content to the central controller system for the blanket transmission to the plurality of customer households.

73. The method according to Claim 2, further comprising the steps of:

recording on one or more writable recording media the preselected music selections for each customer household that request conventional delivery; and

shipping the one or more writable recoding media to each of the customer households.

74. The method according to Claim 2, the method further comprising the steps of:

providing a dedicated storage portion on the high capacity storage medium; and

recording the preselected music selections on the dedicated storage portion when a customer purchases preselected music selections.

75. The method according to Claim 74, the method further comprising a step of storing the purchased preselected music selections on the dedicated storage portion of the high capacity storage device in compressed and encrypted format.

76. The method according to Claim 75, the method further comprising the steps of:

decrypting and decompressing the purchased music selections stored on the dedicated storage portion of the high capacity storage;

watermarking the purchased music selections; and

outputting to the purchased music selections for playback.

77. The method according to Claim 75, the method further comprising the steps of:

watermarking the purchased music selections stored in compressed and encrypted format; and

writing the watermarked purchased music selections to a writable recording media for playback by a media player.

78. The method according to Claim 33, further comprising the steps of:

providing the media player that is enabled to play the compressed, encrypted and watermarked format; and

tracking/limiting a number of times that the each of the plurality of music selections written on the writable recording media is played by the media player.

79. The method according to Claim 2, the method further comprising a step of:

providing an external memory device at each of the plurality of customer households for recording the preselected music selections in digital form.

80. The method according to Claim 78, wherein the external memory device is one selected from the group consisting of: a Dataplay device; a hard disk drive; and flash memory.

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81. The method according to Claim 79, wherein the external memory device utilizes one or more key codes to secure the preselected music selections recorded on the external memory device.

82. The method according to Claim 2, the method further comprising a step of providing a peer-to-peer music sharing system connected via the Internet each of the plurality of customer households.

83. The method according to Claim 82, the method further comprises the steps of:

each the plurality of customer households enabled for requesting from the peer-to-peer music sharing system a music selection;

communicating the music selection to the central controller from the peer-to-peer music sharing system; and

blanket transmitting the music selection to each of the plurality of customer households.

84. The method according to Claim 40, the method further comprising the steps of:

providing music preference information regarding each of the plurality of households to the central controller from the peer-to-peer music sharing system; and

generating a customer profile at the central controller system for each of the plurality of households based on the provided music preference.

85. The method according to Claim 2, the method further comprising a step of:

detecting errors in the blanket transmission; and

blanket re-transmitting all or part of the blanket transmission if errors are detected.

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86. The method according to Claim 61, the method further comprsing the steps of:

receiving at each of the plurality of customer households at least one ID tag for the preselected music selections blanket transmitted to each of the plurality of customer households;

encoding the at least one ID tag into the transmitted preselected music selection; and

recording the preselected music selections on the writable recording medium when the customer purchases the preselected music selections, thereby uniquely identifying the purchase.

87. The method according to Claim 86, wherein the at least one ID tag is woven in the frequency or time spectrum of the preselected music selections.

88. The method according to Claim 86, wherein the at least one ID tag is inaudible in the preselected music selections.

89. The method according to Claim 86, wherein the at least one ID tag survives compression of the preselected music selections.--